

SHAPING REFORM – AN ENGAGEMENT EXERCISE FOR PUBLIC SECTOR LEADERS

Confidential Draft Report, by

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At the invitation of the former Minister of Finance and Personnel, Simon Hamilton MLA, a series of engagements were initiated to determine ways to best progress Innovation and Reform across the Public Sector in Northern Ireland. The Chief Executives' Forum (CEF) in cooperation with staff from the DFP Strategic Policy and Reform Unit, were invited to contribute to this exercise. The Chief Executives' Forum led this strand of the overall engagement exercise as a means to give voice to the ideas, suggestions and recommendations of top managers across the public sector regarding the Northern Ireland Executive's Innovation and Reform Programme. The project was facilitated by Professor Matthias Beck and Dr Sara Melo of Queen's University Management School. As part of this undertaking, four workshops were held as follows:

Rewards and Recognition, chaired by Dr Adrian Kerr, MBE, Wednesday 27 May, 2015

Leadership, chaired by William McKee, CBE, Friday 29 May, 2015

Digitalisation, chaired by Professor Paul Wickens, Monday 1 June, 2015

Culture Change, chaired by Barbara Gray, Chief Superintendant PSNI, Wednesday 3 June, 2015

Each workshop included around ten Chief Executives from a wide spectrum of organisations who volunteered to participate in workshops of their choice. All participants were provided with a series of discussion prompts relevant to the respective workshop topic (see appendix). The duration of each workshop was around three hours and the discussion was minuted by a DFP representative. Chatham house rules applied to all discussions and the facilitators assisted the proceedings by providing attendees with live notes of key points.

These workshops were followed by a facilitated "world cafe" – collaborative dialogue event held on the 26th of June which sought to explore further constructive possibilities for action. Participants in this event were briefed with copy of a draft preliminary report covering the key findings of the four earlier workshops. A total of roughly forty members of the Chief Executives Forum participated in four thirty minute group discussions which covered each of the topics, thus ensuring that all participants were able to state their views and ideas with regard to each of the aforementioned four themes. The focus of the world cafe discussions was to give Chief Executives an opportunity to contribute additional suggestions and to introduce success stories about what has worked well in their experience.

The following report summarises the key ideas and suggestions of all these events together with additional information received by e mail as well as references to the academic literature and relevant resource links.

Executive Summary

This report summarises the findings of an engagement exercise which included four themed focus groups (Rewards and Recognition; Leadership; Digitalisation; and Culture Change) and a “world cafe” – collaborative dialogue event. The key findings gathered from these events include:

Mechanisms for recognising strong performance and innovation need to be strengthened. This has to happen on several levels including: a) positive open leadership, which makes an effort to avoid negativity and blame, supports appropriate risk taking, sets an example and is willing to engage in honest conversations about the future; b) the provision of support and coaching for staff together with the creation of new opportunities; c) creative approaches to cutbacks including the utilisation of bonus payments to save posts, part time and flexible contracts, possible pay reductions and job reassignments; d) the promotion of staff engagement and team working within and across organisational boundaries; e) the creation of performance appraisal systems which support these aims as well as reflecting broader societal goals and objectives; and f) the promotion of a culture of openness through symbolic activities such as casual workdays, team breakfast etc. There are examples of good practice and these should be shared (see list of web-based resources at the end of this report). CEF should explore its role in promoting best practice in staff engagement and team work as part of interdepartmental cross-sectoral leadership education.

Leadership skills should be broadened so as to facilitate: a) the building of effective strategic partnerships across government and private and voluntary sectors; b) the participation in joined-up design and implementation of cross-government/multi-sector strategic reform initiatives; and c) the ability of public sector organisations to deal with unprecedented economic and demand challenges. There was a consensus that the silo mentality of some public sector organisations is problematic and that partnerships are needed in order to modernise traditional compartmentalised approaches to service provision. Joined up working can enhance service delivery in fundamental ways, provide opportunities for cross-sectoral learning, and act as means for evaluating and challenging existing approaches. It needs to be underpinned by broad strategic thinking, the recognition of interdependencies of various actions, and ab initio planning for collaboration. In order to facilitate these changes, existing reporting requirements/performance targets need to be carefully examined, with a view towards targeting supervision and regulation at areas of weak performance, while giving good performers greater discretion. Coaching, mentoring and training of Executives and non-executive directors of all levels can play an important role in this and there is a case for a DFP sponsored cross-sectoral scheme for future leaders in Northern Ireland.

There are outstanding examples of public sector leadership in comprehensive digitalisation in countries such as Estonia (where a vast array of services is digitised and accessible to citizens via a unique dedicated email address) and Northern Ireland is poised to pursue similar strategies. At this stage there is a strong case for continued development of a comprehensive citizen contact strategy which underpins a radical channel shift, exploits available digital innovation and technology, and transforms delivery of public services. These strategies can eliminate virtually all paper transactions and result in considerable savings, while reducing bureaucracy and improving the quality and speed of services provision to the public. As part of this, the issue of verification and authentication of individuals needs to be addressed. Possibilities for savings also arise in the context of internal transactions among public sector organisations, and their transactions with external organisations; which can be realised through a common open source platform. There is a case for an in-depth landscape review of existing needs and processes so as to maximise benefits from IT utilisation. The translation of existing, flawed, paper-based processes into a digital platform (‘digital veneer’), meanwhile, is to be avoided. Digitalisation of government services also offers opportunities for increasing openness and transparency. User friendliness is the basis for securing user input, which is a prerequisite for greater citizen engagement with service delivery. This relates to the need to move

away from a silo mentality in public sector management and to think of government services provision in a holistic manner, based on the realisation that different public sector organisations serve the same citizens. Some of the useful strategies towards implementing effective digitalisation include: a) a focusing of initial efforts on the most promising services; b) separating desirable from essential features; c) avoiding the over-collection of unnecessary information; and d) providing and evaluating relevant and reliable outcome measurement for existing digitalisation projects. Digitalisation should not be seen in isolation but should be placed into broader contexts of system and process redesign. Academia and small and medium enterprises (SMEs) can play an important role in providing innovative input into such projects.

Cultural change and performance cannot always be linked together in an immediate way. There was a strong view that a singular focus on the measurable performance of organisations does not necessarily foster correct decision making with regard to core activities. A flattening of hierarchies within, and across, organisations can offer opportunities to reduce the adverse effects of 'gradism' and silo mentality. Different and novel forms of contracts and HR arrangements, and new career tracks can also contribute to positive culture change. In Northern Ireland the reform of local government creates opportunities for recruitment across Departments and sectors and the breaking of existing silos. Term limits for Chief Executives and the rotation of Executives can contribute to the dissemination of novel ideas and practices. Where fundamental changes are desired, key influencers should be identified and efforts should be made to convince key actors in politics and public life to support novel ideas. The correct allocation of persons and skills to relevant tasks can contribute to a more entrepreneurial culture, and this can build on the identification of existing innovators. The creation of an Institute of Public Management or a Virtual Leadership Academy would provide a platform for sponsoring and championing leadership ideas in Northern Ireland, by acting as: a) a forum for the development and renewal of leadership on the basis of international examples as well as examples of active leadership found within existing communities; b) a venue for cross-departmental dialogues, interagency mentoring, and learning; and c) a platform for merging research with practice. A Virtual Leadership Academy (supported by CEF) would also play a role in identifying existing areas of excellence and ensuring the wide dissemination of best practice while identifying means by which good organisational cultures can be sustained over the long run (succession, cultural resilience).

Emerging Recommendations

Although the workshops and world cafe dialogues discussed the four core themes separately, there were several strong common views and recommendations across all meetings. These views related to a number of desired changes and innovations which virtually all participants supported:

- 1) A new approach to public management which emphasises leadership. This approach should be underpinned by a common vision which is aimed at achieving public value through innovation, cross-departmental coordination and planning, flexibility and responsiveness. In this context managers and staff should have a clear view about the broad objectives of their organisation, as well as those of other agencies, partners and clients. Additionally all parties across the spectrum should be aware of how their actions affect other organisations and how they can contribute to overall goals. Such models have been pioneered in number of contexts. An example is the Scottish Model of Public Leadership with its National Performance Framework which has been used as a means for aligning the effort of multiple organisations behind shared objectives. Exploratory work has also been conducted by the Carnegie UK Trust as part of its 'Towards a Wellbeing Framework' discussions.
- 2) A re-examination of organisational roles and responsibilities taking into account opportunities for cooperation and joined-up working within the public sector and across other sectors; with a view towards maximising benefits arising from public-private / public-charity partnerships, joint ventures, and any arrangements for co-production. This could give rise to a new masterplan for public services provision which would hold agencies and organisations responsible for collaboration and co-operation.
- 3) The creation of a virtual leadership academy which:
 - sponsors and champions leadership ideas,
 - provides international examples and case studies,
 - conducts workshops for the discussion of new ideas and approaches,
 - allows for learning from active leadership across all sectors,
 - challenges existing preconceptions,
 - provides a space to learn and reflect, and
 - creates a safe arena for dialogue.As one of its key missions the academy should focus on the merging of practice, research, and ideas, and in so doing provide a platform for the training, mentoring and coaching of future leaders as well as the ongoing skills development of existing leaders. One of the activities of the academy would be to examine and document existing best practice, make a long term contribution to future and succession planning, motivate promising future leaders to stay in Northern Ireland, and facilitate the creation of a sustainable cadre of Executives.
- 4) The creation of a framework for the recognition of excellence in public sector leadership. This should focus on rewarding entrepreneurship, innovation and positive risk taking among senior Executives. This would be part of the creation of flexible, new, achievement-centred career structures which are underpinned by overarching performance appraisal systems that reward genuine contributions to overall public value objectives. In this context there may be a case for considering flatter hierarchies, new types of contracts, as well as opportunities for job rotation and the strategic use of secondments.

- 5) The design and implementation of a comprehensive cross departmental digitalisation strategy. While based on the existing enterprise shared services framework, this approach would not merely modernise current functions and processes but stimulate new, transformational and citizen focussed provision. Specifically it would be desirable to:
- create a universal citizen contact strategy (potentially with a bespoke citizen e mail),
 - promote a radical channel shift (away from paper-based bureaucracy),
 - contribute to increased openness and transparency of the Northern Ireland public sector,
 - build trust and promote digital innovation as enabler for improving business processes and accessibility for customers across various organisations, and
 - exploit digital technology to the fullest and fundamentally transform the delivery of services (mainly via open source technology).

The following sections summarise the main points raised in the workshops based on DFP notes and the facilitators' own notes, as well as information collected during the world cafe group discussions of the engagement workshop.

Rewards and Recognition

Discussions for this workshop focused on considering methodologies which: a) Promote positive staff morale; b) Assist staff to deal with austerity; c) Recognise good practice; and d) Promote staff engagement.

Promoting staff morale:

Participants noted that promoting staff morale was crucial in times of austerity. Staff morale within different groups of the public sector workforce may be affected differently by challenges such as local government reform and austerity measures. Learning from past mistakes (unmanaged redundancies, damaging loss of skills as occurred in the Republic of Ireland) is necessary. As regards to maintaining or improving staff morale, it was felt that:

- rewards and recognition need to be thought about creatively within a context of positive leadership. This would include a number of measures ranging from individualised rewards to personalised career discussion which help individuals achieve and form aspirations.
- positive leadership, which includes frankness about future prospects, can act as a basis for positive staff morale, and that
- such leadership is associated with the ability to communicate and to handle change.

Uncertainty can undermine morale while honesty, open communication and staff involvement can support morale during periods of change. Practical strategies for Executives to support morale include:

- avoiding negativity, weariness, and blame,
- avoiding undue risk aversion (all of which could worsen morale), and
- setting examples as change managers and facilitators.

Assisting staff to deal with austerity:

Changes in the public sector will be long term and will continue (especially since Northern Ireland has avoided major cuts). This will require new skills among those managers and civil servants who are accustomed to an expanding public sector. Some reforms will be fundamental and 'tinkering' will fail, as it did in the past. Chief Executives contribute to these change processes by:

- envisioning the future as motivator (imagineering a post austerity world),
- scenario planning instead of muddling through,
- engaging in honest conversations about the future of staff (including future skill needs, work assignment),
- providing support and coaching and thus allowing staff an element of control (even if the option is exit), and
- creating new opportunities for staff to succeed.

Unions are often partners in a change dialogue and staff representatives should be involved in discussions at an early stage and their experience and increased maturity in understanding current problems can contribute to the understanding and management of change processes. In some cases such conversations will help to facilitate creative approaches to redundancies. A detailed list of such approaches is beyond this report. However, it worth noting some examples mentioned by delegates, such as:

- utilising bonus payments to save posts,
- introducing part time and flexible contracts, and
- possible pay reductions and job reassignments.

Recognising good practice:

There is a huge variety of ways of recognising and rewarding good practice. Some useful types of rewards are informal, but gimmicks and 'reward inflation' must be avoided. Also, recognition cannot make up for an unsatisfactory job role (e.g., in terms of a lack of responsibility, autonomy or trust) which often relates to fundamental issues of job design and the grading system. Many staff members seek opportunities to engage and Executives need to creatively utilise rewards and recognition and target these carefully. There are numerous examples of good practice in managing rewards and recognition from both the public and private sector in Northern Ireland (from certificates given to the 'grave digger team of the year' to bespoke high level career discussions with future leaders). A detailed list of such approaches is again beyond this report, but it is worth noting some examples mentioned by participating Executives:

- be aware of best practices,
- collect good examples and share them within and across organisations, and
- follow examples across the public / charity / private boundary.

One of the emerging work programmes for CEF would be to explore how it can play an active role as effective facilitating platform for informing and training its members with regard to state-of-the-art human resources management and development practices.

Promoting staff engagement:

Real staff engagement is about teams and team improvement as well as about the impact of individuals on teams. There is a need to recognise the importance of all staff and all jobs (including back office). Delivering as a part of a team can contribute to an individual's sense of self belief and strengthen staff morale. Engagement requires parameters / objectives as well as autonomy. Clarity about goals and a shared vision can be important in promoting responsibility and engagement. Autonomy and responsibility are important not only for top level staff but also for other levels. Staff involvement can help to facilitate change via an open discussion of the options available to various staff members. Politicians have a role to play in communicating expectations and defining future goals to Senior Executives. There are examples of good practice and these should be shared (see list of web-based resources at the end of this report). CEF should explore its role in promoting best practice in staff engagement and team work as part of interdepartmental cross-sectoral leadership education.

Points raised during the Engagement Exercise:

Some of the points raised by the different working groups of the world cafe overlapped with the earlier focus group discussions. However, observational and practical points were raised by the world cafe groups with regard to the topic of rewards and recognition, which are worth mentioning separately:

- performance appraisal systems should focus more strongly on teams rather than solely on individuals,
- performance indicators and measurements should not only focus on short term delivery but also take into account long term sustainable outcomes,
- performance indicators and measurement should not just measure outcomes but reflect broader processes and objectives,
- performance indicators and measurement should be developed as part of a co-production framework,
- reward systems should be partially controlled by those involved in the delivery of performance objective and / or the desired organisational change,
- there should be a tolerance towards failure where there has been defensible risk taking and effort to innovate (especially where failure is context related or can be remedied in another improvement iteration),
- ample time should be given to introducing changes, as these can require adjustments through trial and error,
- rewards should be centred on teams who have accomplished specific tasks and improvements, for instance in the form of an organisation recognition day, and should be widely disseminated through local press coverage and social media,
- recognition by the ombudsman can be seen as an important source of organisational pride,
- an open culture should be actively promoted through symbolic activities such as casual workdays, team breakfast etc.,
- investments in staff development and staff reward should be an ongoing feature of organisational management, rather than one off events,
- staff should feel valued and this can be achieved through simple measures such as visiting projects developed by the team (e.g. Heritage staff),
- there should be opportunities to work flexibly, and
- there should be a publicly available library of good practice available to Executives.

Leadership

Discussions for this workshop focused on developing leadership capable of: a) Building effective strategic partnerships across government and private and voluntary sectors; b) Leading joined-up design and implementation of cross-government / multi-sector strategic reform initiatives; c) Dealing with unprecedented economic and demand challenges that require a new approach; and d) Encouraging and developing staff to acquire new or advanced skills to meet future challenges.

Building effective strategic partnerships across government and private and voluntary sectors:

Future visions for the public sector rely heavily on partnerships, especially in areas such as health and social services. This can create special leadership challenges. For example, if partners do not progress at the same pace, they can become impatient and it can be difficult to keep the partnership alive. Some of this can be addressed through a strong joint vision and clear objectives. Closing the gap between vision and implementation also requires leadership that is able to effectively operationalise policy. Some of the factors that militate against effective leadership include a lack of risk taking, and inability to think innovatively. While large organisations can be unwieldy on account of their size and complexity, there are examples of good leadership in all types of organisations. One of the examples that is sometimes cited for this is the role played by some transformative principals who have been able to turn around failing schools. In the most successful cases this involved close collaboration with parents and communities which secured broad a buy-in into the goals of the school. Such transformation reaches deeper than a mere improvement in league tables and often encompasses fundamental changes in community relationships.

Leading joined-up design and implementing cross-government / multi-sector strategic reform initiatives:

Public Sector divestment alone will not solve current problems and indeed can lead to unintended consequences. However, joined-up thinking can help to create economies of scale and uncover synergies. There is a consensus that the silo mentality of some public sector organisations is problematic and that partnerships are needed in order to modernise traditional compartmentalised approaches to service provision. These future partnerships should be:

- thought of as more than mere improvements in service delivery,
- seen as opportunities for learning, and
- viewed as a means for evaluating and challenging existing approaches.

This is again confirmed by the role played by transformative principals in the school sector.

Successful transformative secondary school principals not only focus on modernising their organisations, but also recognise the role that homes, primary schools, communities, businesses, post-secondary educational organisations and the wider social environment play. As a consequence partnerships place central importance on actively networking and cooperating with a host of stakeholders in addressing existing problems and finding novel solutions. Some of the prerequisites of such approaches are that:

- problems are thought of in broad strategic terms,
- the interdependencies of various actions and measures are widely recognised,
- collaboration is planned for ab initio or early on, rather than being developed as an afterthought further downstream collaboration.

Dealing with unprecedented economic and demand challenges that require a new approach:

The current economic climate requires leaders to adopt flexible approaches to service provision and delivery. Such approaches are difficult to implement where there is unnecessary bureaucracy, persistent silo mentality (especially with regard to budgets), and requirements for excessive reporting. Therefore there is a strong argument in favour of targeting supervision and regulation at those whose performance may be weak, while giving good performers more freedom and discretion in how they achieve their goals. While organisational transformations usually come at a cost, it has to be kept in mind that positive organisational change can result in long term benefits. This is exemplified by the creation of the Belfast Health and Social Care Trust which created a strong and viable organisational framework out of six separate organisations.

Encouraging and developing staff to acquire new or advanced skills to meet future challenges:

The current climate of austerity requires a change in *employee expectations*, away from a culture of entitlement towards a recognition of the need to acquire new skills and to respond flexibly to changing demands. This applies to staff at all levels and perhaps most to those who have leadership positions within the public sector. Alongside this need for flexibility, however, there is also a case to be made for safeguarding core public sector values, especially among those who drive necessary changes. Successful leadership is necessarily contextual. That means that the skill set of those who lead need to match the requirements of an organisation during certain periods. However, reflection, openness, honesty and confidence all contribute to capable leadership irrespective of specific contexts. Therefore there is value in knowing and sharing good examples of successful leadership from all sources be it inside or outside Northern Ireland or across different sectors. There was consensus that CEF should play a key role in:

- promoting leadership networking,
- creating a cross sectional leadership programme,
- coaching, mentoring and training of Executives and non-executive directors of all levels.

These measures could be underpinned by the DFP taking an active role in sponsoring a scheme for future leaders in Northern Ireland.

The existing Women's Leadership Initiative (supported by CEF) for senior female managers working in the civil and wider public service already represents a highly successful example of targeted leadership training that allows existing and future leaders to network, share experiences and ideas, and to provide mutual support within a safe environment. One particular feature of this programme is that it provides for mentoring meetings which can be flexibly scheduled between the mentor and the participant (with meetings being held on neutral ground, away from the workplace). Feedback from participants indicates that both mentors and participants view these exchanges as a very valuable part of the programme.

Points raised during the Engagement Exercise:

Although some of the points raised by the different working groups of the world cafe overlapped with the earlier focus group discussions, additional observational and practical points were raised by the world cafe groups with regard to the topic of leadership.

These include the following:

- leadership has to exist at all levels, not just that of top management,
- leadership should focus on key problems (wicked problems) that have shown themselves difficult to solve, but the resolution of which will significantly contribute to public value (e.g. addressing problems of underprivileged excluded youth and youth crime),
- leaders should develop skills to enable them to transform their organisations while managing the delivery of day to day tasks. Some of these skills can be found in the context of mentoring or learning by example.
- leaders should try to prevent a pattern of change that involves huge jumps followed by minimal increments and instead tackle change needs on a planned steady basis,
- leaders should aspire to conduct reforms that cover the strategic, tactical and operational dimensions of the work of their organisations,
- leaders should focus on what inspires their employees as a means of driving change and should embrace and shape a future vision by listening to, and communicating with, their staff,
- leaders should aim to enlarge the level of engagement of their organisation with different stakeholders as well as acquiring the skills to deal with a fragmentation and multiplicity of authority,
- leaders should think about changes not just from the perspective of organisational re-design but also by taking into account which people possess the right skills to enable change to happen. In some cases this will require additional investment in training and staff development,
- leaders should learn from existing examples of joined-up, practitioner led initiatives such as those employed in road and traffic safety,
- where possible, leaders should seek to reduce the complexity of public service delivery in order to facilitate the achievement of real public value,
- leaders should avoid setting, or oppose the setting of, short-term targets which are not cross cutting and have the potential of undermining long term outcomes (e.g. especially in areas such as public health which depend on long term developments). The Welsh legislation to protect the interests of future generations is an example that should be emulated,
- leaders need to develop the skills necessary to cope with politicians and be able to convince them of their views and concerns with reasoned, evidence-supported arguments. They should actively engage with political parties and 'manage upwards' as well as managing their own organisation, and
- a reduction in the number of organisations can harness existing leadership more effectively and help achieve better outcomes.

While there are no simple solutions to the issue of leadership training, examples such as the existing Women's Leadership Initiative (supported by CEF) for senior female managers highlight the possibility of forums being created which potentiate the development of these skills as part of one to one interactions with experienced peers. Ideally the pool from which the experienced peers should be drawn should not be restricted to the public sector only, but include individuals from the charitable and private sectors, and especially those whose experience includes having worked across the public private divide.

Digitalisation

Discussions for this workshop focused on ways in which digitalisation in the public sector can contribute to: a) Improving communication and facilitating greater engagement with citizens; b) Increasing openness and transparency of the Northern Ireland public sector; c) Reducing unnecessary bureaucracy; and d) Promoting digital innovation as a key enabler for improving business processes and accessibility for customers.

For the purpose of the workshop, a “digital” business was defined as one that is specifically configured to exploit shared internet-based infrastructure’s unique ability to:

- consolidate consumers into platforms of demand;
- simplify supply and value chains; and
- readily enable a much wider and plural supply base producing ecosystems of supply.

The workshop clearly recognised that e-government was partially embraced during the end of the first decade of the millennium. However, it is now well understood that a more radical approach is required to improving the delivery of public sector services to the citizen. Digitalisation is being embraced as the over-arching strategy for transforming such services by exploiting the latest digital technology to transform and simplify citizen services.

Improving communication and facilitating greater engagement with citizens:

There are outstanding examples of public sector leadership in comprehensive digitalisation such as the case of Estonia (where a vast array of services is digitised and accessible to citizens via a unique dedicated email address) and Northern Ireland is poised to pursue similar strategies. At this stage there is a strong case for continued development of a citizen contact strategy which:

- underpins a radical channel shift,
- exploits available digital innovation and technology, and
- transforms delivery.

These strategies have the potential to virtually eliminate all paper transactions and to result in considerable savings while improving the quality of services to the public. One important building block for this strategy is the creation of a verification and authentication process which would support activities such as benefit applications, application tracking and provide online records of funding.

Similar possibilities for savings and efficiency enhancement would also arise in the context of internal transactions among public sector organisations, as well as any transactions with external organisations; which could be facilitated through a common open source platform. While some of these solutions have already been partly implemented, there is a case for a wide in-depth landscape review of existing needs and processes so as to maximise benefits from IT utilisation. For these benefits to be realised will require innovative approaches as well as broad communication and coordination across organisational boundaries so as to avoid the mere translation of existing, flawed, paper-based processes into a digital platform (‘digital veneer’). The existing system of digital champions within existing government departments might not be sufficient for accomplishing this, given the scope of change involved in such an undertaking.

Increasing openness and transparency of the Northern Ireland public sector:

Apart from offering the possibility of improved services at lower cost, the digitalisation of government services also offers opportunities for increasing the openness and transparency of government services. Providing user friendly services is the basis for securing user input, and user input, in turn is the prerequisite for greater citizen engagement with service delivery. There are many strategies that can support this. These include:

- an accelerated move towards a single citizen portal for accessing public sector services (www.nidirect.gov.uk)
- easy to use, customer friendly website designs,
- the avoidance of confusing separate logos (associated, for instance with different organisations and Local Authorities), and
- the replication of recognised design features across different public organisations and spheres of activity (e.g. the re-use of processes for activities, etc.).

As a commonality, these measures are based on the recognition of the need to see delivery of services from a citizen's perspective. This also links to the idea (made at the leadership workshop) about the need to move away from a silo mentality and to think of government services provision in a holistic manner based on the realisation that different public sector organisations serve the same citizens.

Reducing unnecessary bureaucracy:

One of the measures through which digitalisation can be incentivised, both for users and providers, is its innate ability to reduce paper-based bureaucracy. This must be driven by multiple stakeholders who are willing to prioritise user-friendliness of services over other considerations. In parallel, this requires a willingness to radically simplify existing approaches and procedures and, in some cases, to take risks with novel approaches. One example of this is the simplified property rating system of the Republic of Ireland which invites owners to verify a suggested rating or pay the requested amount. While this carries a small risk of under-rating it offers considerable advantages in terms of speed and transaction costs. Conversely, where efforts are made to translate complex procedures into complex IT, this can lead to problematic procedures and policies (e.g. the ongoing problem of the implementation of the Universal Credit system). This implies that digitalisation can require both a willingness to take risks and an ability to assess them smartly. Even where IT systems are relatively simple and work well, there is often a need for the parallel provision of traditional customer service points which deal with complex and exceptional cases, as well as with the shrinking minority of IT illiterate citizens. Overall, digitalisation offers opportunities to provide speedier and better services in a cheaper way, but also a chance to introduce simpler and more integrated solutions to a host of problems. A major outcome of this approach is to ensure that citizens find services much easier to use – examples of services where this has already been delivered include taxing your car and conducting a family history search.

Promoting digital innovation as enabler for improved business processes and customer accessibility:

Successful approaches to digitalisation rely heavily on the dual strategies of eliminating unnecessary complexity and standardising procedures. There is a great number of successful examples in the public sector. This includes the UK student loans agency's electronic forms which are much faster to complete by the applicant (and to process by the agency) than earlier paper based solutions. The state pension service now is able to process client queries regarding electronic records within 22 minutes, whereas paper based formats required eight to ten weeks. Some of the useful strategies towards implementing effective digitalisation thus include:

- focusing initial efforts on the most promising services,
- separating desirable from essential features,
- avoiding the over-collection of unnecessary information (as this can frustrate potential users and create reputational damage), and
- providing and evaluating relevant and reliable outcome measurement for the digitalisation projects which have been implemented.

Digitalisation, thus, should not be seen in isolation but should be placed instead into broader contexts of system and process redesign. Academia and small and medium enterprises (SMEs) can play an important role in providing innovative input into such projects.

Points raised during the Engagement Exercise:

Although some of the points raised by the different working groups of the world cafe overlapped with the earlier focus group discussions, additional observational and practical points were raised by the world cafe groups with regard to the topic of digitalisation.

These include the following:

- the perspective of members of the public should be the major factor informing those leading digitalisation projects, and they should be fully aware of the public's appetite and capability with regard to IT use,
- those driving digitalisation need to be sure that operations are secure and that members of the public are able to trust in the security of digital transactions,
- digitalisation projects and strategies should maximise asset and resource sharing across public services and should be centrally driven,
- digitisation should be approached from a holistic perspective where entire processes are transformed instead of individual paper forms being translated or replicated in digitised form,
- flaws should be identified early and remedied in future development iterations within and across digitalisation projects,
- organisations not willing to participate in digitalisation should be required to provide convincing arguments for their views and actions,
- there may be a case for advancing citizen digitalisation by providing a free I-Pad to each household, and
- the public sector in Northern Ireland is advantaged in relation to digitalisation as its small size allows for fast responses when compared with larger regions.

Culture Change

Discussions for this workshop focused on identifying ways to promote and encourage a culture among public sector staff that: a) Creates an environment that welcomes new ideas; b) Is more entrepreneurial and less risk averse; and c) Incubates and fosters innovation.

It was agreed that we (public sector) should identify a culture that we aspire to i.e. one firmly embedded in the ethos of public service with the ability to define and rethink across boundaries e.g. Adult Safeguarding.

Creating an environment that welcomes new ideas:

Public services view the Police Service in Northern Ireland as an example of an organisation that has undergone a successful and radical cultural transformation. However, this transformation has been underpinned by significant resources. This implies that, in times of austerity, novel approaches for fostering culture change need to be developed and adopted.

Cultural change and performance cannot always be linked together in an immediate way. There is a strong view that a singular focus on the measurable performance of organisations does not necessarily foster correct decision making with regard to core activities. This was evidenced in Mid Staffordshire NHS Foundation Trust – which was ‘hitting the target but missing the point.’

Target driven behaviour is insufficient for achieving positive culture change, and targets need to be checked with reality so as to ensure that the right outcomes are achieved in broad societal terms.

Factors that have the potential to lead to organisational inertia and stasis include:

- a focus on failure avoidance,
- a culture of blame,
- overly strict adherence to processes, and
- a desire to satisfy auditors.

By contrast, a flattening of hierarchies within, and across, organisations, can offer opportunities to reduce the adverse effects of ‘gradism’ and silo mentality. Different and novel forms of contracts and HR arrangements and new career tracks can also contribute to positive culture change. In Northern Ireland the creation of the new ‘super councils’ creates potential opportunities for recruitment across Departments and sectors and the breaking of existing silos. The example of the Republic of Ireland’s seven year limit of tenure for Chief Executives (with a statutory maximum of ten years) might be a useful model for avoiding organisational stasis, and the rotation of Executives can contribute to the dissemination of novel ideas and practices. Similar tenure limitation may be worth considering in other contexts. Additionally, there may be an argument for expanding the role performed by the Civil Service Commissioners for Northern Ireland in auditing and ensuring fairness of employment under potential future conditions of non-traditional contracts and employment schemes.

A method of creating and enabling cultural development was identified as necessary to support an overall strategy with processes allowing flexible HR practices and mixed contracts.

Creating a more entrepreneurial and less risk averse culture:

A mismatch between ambition and the reality of daily work can give rise to a victim mentality, which is unproductive and can undermine innovation. In some contexts, there is a need for 'big conversations' about the objectives of an organisation, how these can be achieved and what role specific individuals play in this. Where fundamental changes are desired, key influencers should be identified and efforts should be made to convince key actors in politics and public life to support novel ideas. Overall, these activities should always be guided by a focus on serving the public. Empowerment of individuals and the correct allocation of persons and skills to relevant tasks can contribute to a more entrepreneurial culture, and it will often be possible to build on existing good will when implementing such changes. The creation of an Institute of Public Management or a Virtual Leadership Academy would provide an excellent vehicle for sponsoring and championing leadership ideas in Northern Ireland. Ideally such an academy would not be a traditional credit based learning institution or a physical facility, but rather an open forum which provides meeting places and digital platforms for the sharing, exchange and discussion of state-of-the-art ideas. Such an academy would serve as:

- a forum for the development and renewal of leadership on the basis of international examples as well as examples of active leadership found within existing communities,
- a safe space for Executives to pursue cross-departmental dialogues, to learn and reflect, and to challenge potential preconceptions, while discussing new ideas,
- there is considerable merit in interagency mentoring, learning and support especially where this focuses on the achievement of high level goals and objectives rather than specific numerical targets,
- a platform for the presentation of new ideas by relevant speakers and a forum for merging research with practice and ideas.

Another important objective of the Academy would be to coach and mentor future leaders in order to ensure the sustainability of public and charitable organisations and to keep talent in Northern Ireland. CEF could play a key role in these processes either as initial facilitator or as long terms sponsor and provider.

Incubating and Fostering Innovation:

It is envisaged that the proposed Virtual Leadership Academy (supported by CEF) would act as a motivator for staff to adopt innovative approaches and to foster a culture that values genuine improvements. In parallel with this, it would play a role in identifying existing areas of excellence and ensuring the wide dissemination of good practice. Another goal would be to identify means by which good organisational cultures can be sustained over the long run (cultural resilience) and by which continuous improvement can be supported. Examples of good practice and excellence which can serve as case studies include the development of the Derry / Londonderry council plan and the subsequent European City of Culture initiative, innovations around the development of the Belfast Cathedral Centre and the modernisation of the Northern Ireland Youth justice system.

Points raised during the Engagement Exercise:

Although some of the points raised by the different working groups of the world cafe overlapped with the earlier focus group discussions, additional observational and practical points were raised by the world cafe groups with regard to the topic of culture change.

These include the following:

- public sector organisations should develop a set of core cultural values, which reflect their public mission and an understanding of clients and customers
- cultural values in the public sector should be based on the understanding that most employees want to do a good job and see their organisation flourish, and public sector leaders should make an effort to understand how things work 'on the ground,'
- public sector leaders should support a culture of openness to new ideas and views while avoiding to restrict the ability of individuals to be creative and to innovate,
- public sector leaders should support the creation of a 'no blame' culture which maintains responsibility and accountability,
- a future public sector culture should be willing to challenge vested interests while supporting values that are strongly aligned with the public interest,
- public sector leaders should create a culture which accepts and supports the long term nature of change,
- public sector Executives should avoid focusing on the details of change when this is not necessary, as the main task of a chief Executive is to remove hurdles to changes in culture and delivery, rather than making all individual decisions,
- there is a need to recognise that more elaborate control mechanisms and chains of authorisation can undermine individual responsibility, while failing to reduce risk,
- there may be possibilities of using internal audits constructively as a means of reducing excessive bureaucracy,
- public sector organisations need to acquire an integrated citizen focus to future service delivery which emphasis collaboration and partnership models within and across different sectors,
- public sector managers should create a culture of trust between organisations which enables them to share skills and working methods as well as means for jointly handling difficulties,
- public sector managers need to participate in 'big conversations' around future service delivery within the current Programme for Government, with a focus on the clarity of goals, the nature of desirable outcomes, the desired impact of reforms and the creation of appropriate accountability systems,
- there are some positive examples which can help those trying to achieve culture change, such as the Department of Justice's Causeway Programme (a joint initiative of the six criminal justice organisations in Northern Ireland) and the Department of Culture, Arts and Leisure's successful involvement in the Fab Labs initiatives (an international network of laboratories which allows users to design and manufacture anything).

Conclusion

Discussions during the workshops and world café events showed a strong awareness among participants of the need to redefine boundaries in the public sector and to think across themes. Thus, one major theme was the need to think across organisation limits in order to develop a long term strategic vision for the whole Northern Ireland's public sector. A related theme was joined-up working with the charitable and private sectors, and inter-organisational collaboration. Leadership was considered to be a key pillar for achieving positive change in all areas and digitalisation was seen as a key facilitator in terms of implementation. Overall there is an awareness that some existing approaches and patterns of working require radical rethinking in order to meet the unique and severe challenges of austerity.

These ideas will need to filter up into a concrete programme of public sector reform which identifies the areas which should be prioritised in terms of organisational redesign and organisational process re-engineering. These decisions require political will and decision power. What our report, however, indicates is that there is a readiness and appetite for reform among senior and chief Executives who recognise the weaknesses and shortcomings of the current system of public administration.

As concerns the CEF itself, one of the next steps should be for it to review its future role in line with the observations of this report and the existing context of change, and to define, within existing constraints, the position it can, and wishes, to play as change facilitator and driver.

Resources

The following section lists a number of potentially relevant resources in relation to the discussions and suggestions referred to above.

The items are grouped according to key topics in three sections, covering web based resources, external award and benchmarking schemes and other books.

WEB BASED RESOURCES

Rewards and Recognition

- http://www.epsa2015.eu/files/repository/20150130031148_In_Search_of_Local_Public_Management_Excellence_Seven_Journeys_to_Success_2013.pdf
 - Is a collection of case studies compiled by the European Institute of Public Administration.
- <https://www.gov.uk/government/publications/civil-service-reform-plan>
 - Provides an overview of the UK government's plan to make the Civil Service more skilled, less bureaucratic and more unified.
- <https://www.gov.uk/government/publications/talent-action-plan-removing-the-barriers-to-success>
 - Discusses proposals to ensure the best people progress in the Civil Service.
- http://www.nao.org.uk/wp-content/uploads/2008/09/sanctions_rewards_public_sector.pdf
 - Provides a review of the use of sanctions and rewards based on academic research and a National Audit Office survey of their use in central government.
- <http://www.gov.scot/resource/doc/176883/0049990.pdf>
 - Provides a review of the literature on public sector employee engagement commissioned by the Scottish Executive.
- http://www.ipa.ie/pdf/cpmr/CPMR_DP_5_Use_Rewards_CS_Mgt.pdf
 - Is a report on public sector rewards commissioned by the Committee for Public Management Research in the Republic of Ireland.

Leadership

- http://ec.europa.eu/enterprise/policies/innovation/files/proinno/inno-grips-mini-study-10_en.pdf
 - Discusses links between innovation and leadership in the context of European case studies.
- <https://www.ashridge.org.uk/Media-library/Ashridge/PDFs/Publications/LeadershipAndManagementIssues.pdf>
 - Is a report on differences in public and private sector management and leadership authored by the Ashridge Business School and the National School of Government.
- <http://www.jrf.org.uk/sites/files/jrf/public-sector-innovation-full.pdf>
 - Is a report on inspirational civic leadership by the Joseph Rowntree Foundation.
- <http://www.forumforthefuture.org/sites/default/files/project/downloads/steppinguppublic-sector-leadership.pdf>
 - Is a publication on sustainable leadership in the public sector commissioned by the Welsh Assembly.
- <http://pwc.blogs.com/scotland/2014/11/can-the-scottish-model-of-public-service-leadership-deliver-better-results-.html>
 - Describes the Scottish Model" of public service leadership.
- http://www.anao.gov.au/bpg-innovation/1_introduction.html
 - Provides a number of resources and papers on innovation and leadership in the public sector including case studies and a review of the literature compiled by the Australian National Audit Office.
- <http://www.carnegieuktrust.org.uk/publications/2015/towards-a-wellbeing-framework--short-report>
 - Is a link to the Carnegie UK Trust's paper exploring wellbeing in Northern Ireland. The Roundtable report sets out steps for developing a wellbeing framework, and makes ten recommendations in order to implement these and introduce a new, innovative way of delivering public services in Northern Ireland.
- <http://www.ey.com/GL/en/Industries/worldwidewomeninpublicsector---overview>
 - Is a page by Ernest and Young which provides resources for and about women leaders in the public sector.
- [http://www.ceforum.org/upload2/Womens_Lead_Init.2013-14\(Web.pdf](http://www.ceforum.org/upload2/Womens_Lead_Init.2013-14(Web.pdf)
 - Is the programme of the women's leadership initiative of the Chief Executives' Forum.

Digitalisation

- <http://www.minervaeurope.org/bestpractices/listgoodpract.htm>
 - Provides an overview of the European Community's MINERVA network (MINisterial NEtwork for Valorising Activities in digitalisation) which includes a list of best practices across several European countries together with relevant country links.
- <https://ec.europa.eu/digital-agenda/en/digitisation-digital-preservation>
 - Provides country reports on the progress of digitalisation across Europe.
- http://www.goodreads.com/author_blog_posts/7669415-estonia-pioneers-transformational-digital-citizenship
 - Discusses Estonia's pioneering approaches in digitisation.
- <https://www.gov.uk/government/publications/government-digital-strategy>
 - Links to the UK Government's 2012 and 2013 strategy documents which include a discussion of potential savings and a list of case studies.
- <https://www.gov.uk/government/collections/departmental-digital-strategies>
 - Provides reports from each ministerial department describing what they are doing and how they plan to carry out the Government Digital Strategy.
- <http://www.computerweekly.com/news/2240213644/Half-way-through-the-Government-Digital-Service-transformation-project>
 - A critical review of UK digitalisation projects including student finance and universal credit.
- <http://www.gov.scot/Publications/2013/02/9054>
 - This is an independent report on what world-class digitalisation looks like elsewhere, and what lessons could be learned and applied to Scotland (and elsewhere) to achieve this.
- <http://www.gov.scot/Publications/2015/04/4462>
 - Provides guidance on how public sector organisations in Scotland (and elsewhere) can contribute to a vision for a cost effective, energy efficient ICT estate.
- <http://webarchive.nationalarchives.gov.uk/+http://www.culture.gov.uk/images/publications/digitalbritain-finalreport-jun09.pdf>
 - This is the Digital Britain Report which discusses the Government's strategic vision.
- <http://www.dni2020.com/>
 - Provides information about the Digital Northern Ireland 2020 (DNI2020) programme.

- http://www.proni.gov.uk/index/family_history/family_history_getting_started.htm
 - Is the gateway to the Public Record Office of Northern Ireland's (PRONI) digitised family history resources.
- <http://culturedigitally.org/2014/09/digitalization-and-digitization/>
 - Provides a definition of digitalisation.
- http://www.softwareag.com/blog/reality_check/index.php/authors-for-home/what-are-businesses-aiming-for-to-be-digital-digitized-or-digitalization/
 - Another good reference on the meaning of digitalisation.
- [http://www.computerweekly.com/opinion/Where-next-for-UK-government-as-a-platform?utm_medium=EM&asrc=EM_ERU_46409956&utm_campaign=20150817_ERU%20Transmission%20for%2008/17/2015%20\(UserUniverse:%201679949\)_myka-reports@techtargt.com&utm_source=ERU&src=5417094](http://www.computerweekly.com/opinion/Where-next-for-UK-government-as-a-platform?utm_medium=EM&asrc=EM_ERU_46409956&utm_campaign=20150817_ERU%20Transmission%20for%2008/17/2015%20(UserUniverse:%201679949)_myka-reports@techtargt.com&utm_source=ERU&src=5417094)
 - Is a definition of digitalisation by Mark Thompson writing in Computer Weekly (18 August 2015).

Culture Change

- https://ec.europa.eu/research/innovation-union/pdf/psi_eg.pdf
 - Is the 2013 report of the European expert group on public sector innovation and change.
- <http://www.cocops.eu/work-packages/wp1-npm-meta-analysis/database-of-studies-of-npm-reforms-in-europe>
 - Provides a searchable database on New Public Management Reforms in Europe managed by Christopher Pollitt and Sorin Dan.
- <https://www.gov.uk/government/publications/leading-and-managing-change-people-impact-assessment>
 - Is a guide on People Impact Assessment (PIA) tools for civil servants leading and managing change as part of Civil Service Reform.
- <http://www.nesta.org.uk/publications/why-motivation-matters-public-sector-innovation>
 - This is Nesta's report on the need for motivation in the public sector.
- <http://www.dojni.gov.uk/ogc-gateway-5-report-causeway-operations-review-and-benefits-realisation>
 - The Causeway programme is a joint initiative of the six criminal justice organisations in Northern Ireland to the secure, rapid transfer of case data and sharing of common information and this 2010 report provides a snapshot of the project's status at the time of the review.
- <http://www.fujitsu.com/uk/Images/causeway.pdf>
 - Provides an insight in the Causeway project from the private sector partner's perspective.
- http://www.reform.uk/wp-content/uploads/2014/11/Causeway_Programme_NI.pdf
 - Provides a 2012 summary of the Causeway programme by think tank "reform.uk."
- www.nitb.com/FileHandler.ashx?id=2113
 - Is the regeneration plan for Derry-Londonderry which discusses the making of the city of culture.
- <http://www.nitb.com/Portals/2/SharePointDocs/2265/An%20Integrated%20Strategic%20Framework%20for%20Belfast%20Tourism%202010%20-%202014.pdf>
 - Is the Northern Ireland Tourist Board's integrated strategic framework for 2010-2014 Belfast tourism.

- http://www.setrust.hscni.net/pdf/Annual_Report_2014_2015.pdf and
- http://www.setrust.hscni.net/pdf/Public_TB_Mins_24_June_2015.pdf
 - Describes the South Eastern Trust Innovation/Northern Ireland Prison Service (NIPS) project for the creation of the female choir 'The Regeneration Girls' which won the Health and Social Care Award at the Safety Quality Experience finals in June 2015 and has been shortlisted for the Chairman's Awards in October 2015.

EXTERNAL AWARD AND BENCHMARKING SCHEMES

- <http://www.iso.org/iso/home/standards/management-standards/iso14000.htm>
 - ISO 14001 and its supporting standards such as ISO 14006 focus on the improvement of environmental systems. The other standards in the family focus on specific approaches such as audits, communications, labelling and life cycle analysis, as well as environmental challenges such as climate change.
- <http://www.efqm.org/what-we-do/recognition/efqm-excellence-award>
 - The EFQM Excellence Award is organised once a year and it is designed to recognise Europe's best performing organisations, whether private, public or non-profit.
- <https://www.investorsinpeople.com/what-investors-people>
 - Awards organisations for best practice in leading, supporting and managing people well for sustainable results.
- <http://www.customerserviceexcellence.uk.com/>
 - The Customer Service Excellence was developed to offer services a practical tool for driving customer-focused change within their organisation.
- <http://www.northernireland.gov.uk/news/news-dfp/news-dfp-march-2008/news-dfp-030308-charter-mark-boosts.htm>
 - Charter Mark is the national standard for customer service excellence across the UK public sector. Its achievers must demonstrate a commitment to improving services to customers by consulting regularly with them and being flexible and innovative in their approach to service delivery.
- <http://www.greenflagaward.org/award-winning-sites/northern-ireland>
 - The Green Flag Award scheme recognises and rewards the very best green spaces. In 2015, a record number of awards were made with 1,582 parks and green spaces currently flying a Green Flag or Green Flag Community Award.
- <http://www.nilga.org/aaaaa/Ulster-in-Bloom.aspx>
 - The Ulster in Bloom competition is now in its 37th year. Ulster in Bloom is administered, supported and coordinated by NILGA. In 2015, all 11 new council areas participated entering a total of 132 places in the various categories of cities, towns and villages.
- http://www.cforc.org/images/uploads/tools-and-methods/Gold_Star_Service_Excellence_Launch_Handbook_Rev8.pdf
 - The 'Gold Star' Service Excellence Accreditation scheme implemented by the Centre for Competitiveness, working with NI Chamber of Commerce and The Consumer Council.

- <http://www.worldhostni.com/>
 - WorldHost is a customer service training programme that was developed for the Northern Ireland market by Tourism NI and the Sector Skills Council, People1st. The programme offers delegates a comprehensive training toolkit that can be used across a wide variety of industries including tourism, hospitality, leisure, retail and passenger transport.

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Appendix

REWARDS AND RECOGNITION SESSION

Wednesday 27th May, Longbrige House, lunch from 12.30 pm, session from 1.00 pm to 4.00 pm

Chaired by: Dr Adrian Kerr Facilitated by: Prof Matthias Beck and Dr Sara Melo

Key points for Discussion:

Considering ways through which we can:

- Promote positive staff morale;
- Assist staff to deal with austerity;
- Recognise good practice;
- Promote staff engagement.

Discussion Prompts:

PROMPT A

“The Guiding Principles of Recognition

1. Link recognition to the organisation’s mission, vision, and values. Recognition decisions must support defined guiding principles of recognition and business objectives.
2. Provide equity in the distribution of recognition. All staff members should be given an equal opportunity to be recognised for the results of their work.
3. Give recognition for specific achievements. Encourage managers and supervisors to use recognition to encourage positive actions or acknowledge results. Actions that produce positive and measurable outcomes should be rewarded. All supervisors and managers are responsible for ensuring that recognition is specifically linked to positive actions and contributions.
4. Involve co-workers, customers, and partners in recognition efforts. They often have an awareness of the contribution that an employee makes.
5. Give recognition in a timely manner. Recognition given promptly is most effective.
6. Emphasise team recognition that encourages teamwork and fosters the cooperation needed to address the overall strategic business goals and mission of the organisation.
7. When practical, emphasise non-monetary recognition. Use of innovative non-monetary recognition can create a positive work environment.
8. Get input from employees regarding the type of recognition they receive. In appropriate circumstances, employees should be given the opportunity to provide input about the type of recognition they would like to receive.
9. Publicise recognition activities including local level efforts.
10. Provide flexibility for recognition decisions at your organisation. Staff will be encouraged to delegate responsibility for recognition decisions to the lowest level practicable and eliminate unnecessary layered review processes.
11. Incorporate funding for recognition into department budget planning. The organisation must ensure that employee recognition is given attention in the budgeting process.
12. Provide uniform training for managers and employees in effective use of recognition. A discussion of the recognition process should be included in all management training programmes, and recognition guidelines should be included in the orientation package for all new employees.”

Source: modified from University of Michigan Guidance, 2014

PROMPT B

"The Shift to Informality"

Caroline Strumbly at Progressive Insurance illustrates the shift she's seen in her organisation: "My group within our company is starting to lean towards less formality around recognition. Recognition is being pushed into the managers' hands (along with the budget). Managers will be responsible for coming up with individual programmes to recognise their team members, moving away from structured recognition to more personalised forms."

This shift towards less formal recognition makes sense because that is what employees today say they most value. More personal, "here and now," sincere thanks and forms of recognition are preferred over more formal programmes, which are less frequent and less personalised, and often have lost relevance, meaning and excitement.

A balanced approach

You don't have to do informal recognition to the exclusion of formal recognition. My recommendation is that you ask employees (via a survey, assessment, focus groups or all of the above) what they value from a list that includes current programmes and practices and potential new items, activities and practices. See how they respond. Then, once you have a motivation baseline of your employees' preferences, systematically move away from those things that your employees no longer seem to value and towards those things they seem more excited about.

This allows you to discontinue programmes and practices that are not valued with a minimum perceived "take away" loss, because you're acting on their feedback (which itself will be motivational to most employees) and adding things that they have indicated they value more highly. This process will also validate those things that are currently working and provide an energy surge to your overall recognition efforts, making them more fresh, fun and dynamic.

Joint effort

There's no substitute for the personal touch, and for real-life communication with your employees about what they value, need and want in order to be more effective contributors to you and the organisation. Effective realise that it's what you do with your employees more than what you do to them that counts.

You'll get the best from your employees and keep them the longest when you show them that you personally care. And the best way to do that is through your daily efforts in recognising and thanking employees when they do good work, not through any number of formal recognition programmes."

Source: Bob Nelson, "Everything You Thought You Knew About Recognition Is Wrong" Workforce Jan, 2004

PROMPT C

"A Catalog of Recognition Ideas"

1. *Private time with you* - Schedule lunch dates with employees. Give them an opportunity to select the luncheon site, and use the time to simply get to know them better. Tell them how critical they are to you and the team, then ASK them some questions, e.g. about what you can do to make their work life easier?
2. *An honest talk about the future* - Offer to have a CAREER conversation with an employee. Hold it in a quiet, private place or off-site if possible. Try any or all of the following questions to get the conversation started: What part of your current job do you enjoy doing the most? Least? Which of your talents have I not yet used? What jobs might you like to see yourself doing?
3. *The honour of representing the company at a conference/meeting* - Offer ESTEEM; the chance to attend an outside conference/ seminar series designed especially for their peer group.
4. *A chance to grow professionally* - Allow the employee to choose from a list of potential projects, assignments and tasks that could ENRICH his or her work.
5. *Recognising your employee's family* - Give an employee a pre-paid phone card to call FAMILY or friends (get an international card for employees with loved ones far away), or offer to have someone design a web site for their family, and include a one-year subscription for an activity. Or give a free pass for either X-days or X-hours off to attend children's school programmes.

6. *Talking about your employee's next move* - Offer to brainstorm alternative career possibilities. (Again, do this off-site if possible.) Try to help that employee leverage their options to reach his/her GOALS. Use the LEVERR framework. Consider Lateral, Enrichment, Vertical, Exploratory, Realignment (moving down to move into something else) and Relocation.
7. *Serving on an interview committee for a key position* - Allow an employee to participate in the HIRING process for a new manager – one level above them, or more.
8. *Nourishing your employee's professional interests* - Offer a free one-year subscription to an employee's favourite business/subject magazine and have it sent to their home. Satisfy their need for INFORMATION.
9. *Submit to a critical employee's "pruning"* - This may be one of the tougher gifts to give. Ask the employee that you never see eye to eye with, to give you some straight talk about how you might work better together.
11. *A priceless introduction* - Ask an employee for the name of someone in the organisation that he/she would love to meet, chat with, and learn more about. Create the LINK. Provide an introduction and encourage your employee to decide on how he/she would like to spend time with the chosen connection.
12. *A workplace personal trainer session* - Consider a gift certificate entitling an employee to lunch with you or another MENTOR of his/her choosing for the purpose of being coached on one or more topics.
13. *An exception to the rules* - Give a Bend the Rules pass that involves and encourages bending (or breaking) the status quo. Then bend as much as you can when they make their request. Show that you'll QUESTION the rules.
14. *Play genie in a bottle to your employee's recognition wish list* - Ask an employee to write down six ways they would like to be REWARDED. Anything goes. The only rule is that half the ideas need to be low cost or no cost.
15. *Help them feel at home at work* - Offer a shopping spree to a local supply store for an employee to get items (no staplers or paper clips allowed) to personalise his/her SPACE: office, vehicle, work station or cubicle.
16. *A chance to download* - Give 12 coupons for listening time – one for each month where an employee can come for 20 minutes and talk to you about anything. Your job is to UNDERSTAND, i.e., just listen to them.
17. *A day of improving health* - Give gift coupons for Tai-Chi, yoga or golf lessons. Encourage WELLNESS.
18. *The starring role, for once* - Give an employee a chance to lead that project that you've been hoarding for yourself. (You'll know which it is!) Offer the spotlight. YIELD. Coach when necessary. What has he/she learned? What did you learn?"

Source: modified from Beverly Kay and Sharon Jordan-Evans, *Training and Development Magazine*, Dec 2000

PROMPT D

“How to Create a Recognition Programme

To begin, ask yourself the following questions to assess where you are in this important process:

- Does the recognition convey personal appreciation for the individual or team that is being recognised?
- Is the recognition timely?
- Are you thinking “out of the box”?
- Is the recognition appropriate to the individual contribution?
- Are you being consistent and fair when you recognise your staff?
- Are you visible and paying attention to the little and big things that your staff is accomplishing?
- What have you done to create a recognition culture in your department?
- Are you aware of how your staff members’ cultures expresses appreciation and responds to recognition?

Step 1: *Goals* -- determine the goals of your programme. Ask yourself what you wish to accomplish. It may be cost reduction, customer satisfaction, or promoting a new service. Ask for input and make your goal simple and specific.

Step 2: *Target* -- As you discuss objectives, it should become clear exactly whom the programme should target (office staff, service, maintenance, etc.); you may need overlapping programmes for the different groups. Make sure objectives are realistic and quantifiable. Staff must feel they can reach targets, and results will be evaluated fairly.

Step 3: *Recognition and Awards* – Once you have selected your goals for programme, and you understand who will participate, determine how and what kind of awards you will handout. Will you give an award to just the top person, or will there be second and third places? You may want to consider ‘interim awards’ to maintain inspiration.

Step 4: *Communicate* -- Once the parameters have been mapped out, conduct a meeting with all involved to ensure they understand the programme. Answer questions, and make modifications upon hearing from the participants.

Step 5: *Promotion* – Once you have the plan in place, promote it. Send reminders to participants, being sure to rally them to the cause, not threaten them with extinction if the goals are not met. At the end, but before the awards are distributed, send congratulatory notes, celebrating participants’ success. Make sure the letters are personal.

Step 6: *Distribution of Awards* - When the awards are distributed, do it as lavishly as your means will allow. Whether you host a banquet at a restaurant or bring in scones and coffee, the fanfare involved will make the awards all that more special. This positive feeling will extend from the actual award recipients to their peers.

Step 7: *Evaluate* - Conduct a survey or hold meetings when all involved, focusing on the programme itself, the goals, even the awards and “ceremony.” Inquire if there were any complications along the way, and how they can be ironed out. Identify if the programme reached the ultimate goals, and has met the participants’ expectations. Also evaluate if there were any unexpected fringe benefits.”

Source: modified from University of Michigan Guidance, 2014

LEADERSHIP SESSION

Friday 29th May, Longbrige House, session from 9.30 am to 12.30 pm, followed by lunch

Chaired by: William McKee Facilitated by: Prof Matthias Beck and Dr Sara Melo

Key points for Discussion:

Consideration of mechanisms for developing institutional leadership, capable of:

- Building effective strategic partnerships across government and private and voluntary sectors;
- Leading joined-up design and implementation of cross-government/multi-sector strategic reform initiatives;
- Dealing with unprecedented economic and demand challenges that require a new approach;
- Encouraging and developing staff to acquire new or advanced skills to meet future challenges.

Discussion Prompts:

PROMPT A

“Lagarde Urges Strong Leadership to Put World on Firmer Footing

Repeating her earlier warning that the world economy had entered a dangerous new phase, Christine Lagarde said that in advanced economies, the large debts of governments, households, and banks risked suffocating the recovery.

The four ‘Rs’ for recovery

Although policy options had narrowed, there was still a path forward. Lagarde summarised these options as the four ‘Rs’: repair, reform, rebalance, and rebuild.

- Repair.

Advanced countries need to get debt burdens under control through fiscal consolidation. But consolidating too quickly could hurt the recovery. Credible measures that deliver and anchor savings in the medium term will help create space for accommodating growth today—by allowing a slower pace of consolidation. In the United States, household debt also needs repair, while in Europe, it is the twin problems of sovereign debt and the need to strengthen banks’ capital buffers.

- Reform.

While progress has been made, the priority here is further financial sector reform.

- Rebalance.

Policy actions are needed to achieve strong, stable, and balanced global growth—to shift from public to private demand in the advanced economies, and from external to domestic demand in key emerging economies.

- Rebuild.

Low-income countries have navigated the crisis rather well, but they need to rebuild policy buffers to protect themselves against future storms. And the international community needs to help. While the policies needed were clear enough, the world needed strong leadership to get things done.”

Source: modified from *IMF Survey Magazine: In the News*, Sept, 2011

PROMPT B

“Leadership Challenge: Categories & Definitions

1) Balancing Multiple Work Priorities:

Challenges having to do with time management, volume of work, delegating, or setting priorities.

2) Boundary Spanning:

Challenges having to do with the need to or the difficulty of crossing hierarchical, functional, organisational, geographic, generational, cultural or other boundaries.

3) Building/Leading a Team:

Any challenge having to do with creating a new team, integrating people into an existing team or combining teams, or improving team process.

4) Creating, Changing, or Maintaining a Culture:

Challenges that specifically have to do with leading or managing a culture change in the organisation.

5) Influencing:

Challenges having to do with managing up, leading without authority, inspiring others, negotiation, or getting buy-in for one’s ideas/plans

6) Interpersonal Conflict with Peers or Superiors:

An unresolved disagreement of a negative nature that is personally concerning or impactful to the leader and involves a peer(s) or a superior(s).

7) Leading a Team in a Context of Change:

Challenges having to do with helping others with a unit or team to understand and cope with change, redesigning group processes or policies due to change, coping oneself with crisis while also leading others through it.

8) Leading/Managing Organisational Change:

Being accountable for leading or managing a major organisation-wide change or aspects of that change, or working inside unhealthy culture.

Source: excerpt from John Ferguson, Peter Ronayne, and Mike Rybacki, “Public Sector Leadership Challenges Are They Different and Does It Matter?” *Center for Creative Leadership, White Paper: 2014.*

PROMPT C

“Management Matters

In the organisation itself, replacing the top managers may not make much difference to the organisation if sources of poor performance are deeply embedded, such as in the values of the senior managers and in standard operating procedures. As a result it can be hard to change organisational practices. If the new manager is resisted by the existing personnel it will be very hard to overthrow this culture by force of personality and drive — the top manager needs to use a variety of strategies, which may involve strong direction, but at bottom there needs to be some degree of consent, and also an enthusiastic coalition within the organisation whose members believe in the new changes and see a benefit for their careers.

So the disruption induced by the departure of experienced specialists among the top management could lead to a drop in organisational performance. It is even possible that such changes are largely ritual, largely for scapegoating, to demonstrate the organisation’s agility to stakeholders, but without much of a performance effect.

The causal mechanism is the way in which existing bureaucrats use their experience and knowledge of where the bodies are buried to ensure the organisation moves on from existing levels of performance. New bureaucrats need to find out what works and also to recruit as followers other officials down the chain who can follow their commands. This is an account of bureaucracy that stresses the importance of informal networks within organisations and the limits to top-down command and control strategies.

Source: excerpt from Peter John, *Making Policy Work*, Routledge 2011

PROMPT D

“Public Sector Managerial Effectiveness

The single most important message is not to assume that there is a commonly understood model of managerial effectiveness but that it is critically important to make the prevailing model explicit and then to interrogate its value to the organisations. A checklist of key points for action is given below which provides the basis of a long-term strategy. As always, the key responsibility falls on top managers, who need to act to make sure the following seven issues are addressed:

- 1) To have a common and agreed view among managers and other key constituents about:
 - a) The organisation’s purpose and priorities
 - b) The principles which will guide how there are to be achieved.
- 2) To examine all systems and processes to decide:
 - a) Whether they support achievement of the purpose and priorities
 - b) Whether they currently operate on the basis of the guiding principles
- 3) To help managers to develop or improve their skills at reading their situations. This requires:
 - a) Both analytical skills and a willingness to develop what we currently refer to as intuition, as a way of handling the more complex situations we find in organisations which exceed the ability of rational thought processes to deliver them.
 - b) To expand their capacity to learn through learning how to learn.
- 4) To be prepared to use methods such as repertory grids as a means of defining and articulating:
 - a) The current models of effectiveness individual managers hold and to which they currently work.
 - b) The cumulative effect of these models in terms of a management culture.
- 5) To develop an understanding of how they make decisions on selecting assessment/appraisal, development needs, etc.:
 - a) How this is affected by their mental model of effective behaviour.
 - b) The cumulative effect on the performance of individuals and of the organisation of these decisions.
- 6) To understand the increasingly critical need for the development of a learning culture in organisations:
 - a) Based on a model of managerial effectiveness that embraces the ability to learn.
 - b) Accepts genuine mistakes as a basis for real learning and development.
- 7) To implement good performance management processes based on the centrality of an appropriate approach to appraisals/performance review which:
 - a) Promulgates the desired model of managerial effectiveness and develops situational and other skills based on the model.
 - b) Becomes a way of managing rather than a labour-intensive system.

Source: excerpt from Hugh Flanagan and Peter Spurgeon, *Public Sector Managerial Effectiveness: Theory and Practice in the NHS*, Open University Press: 1996.

e-GOVERNMENT / DIGITALISATIONSESSION

Monday, 1st June, Longbrige House, lunch from 12.30 pm, session from 1.00 pm to 4.00 pm
Chaired by: Dr Paul Wickens Facilitated by: Prof Matthias Beck and Dr Sara Melo

Key points for Discussion:

Exploring how the public sector can further exploit digital information and communication technologies to assist in:

- Improving communication and facilitating greater engagement with citizens;
- Increasing openness and transparency of the NI public sector;
- Reducing unnecessary bureaucracy;
- Consideration of mechanisms to promote digital innovation as a key enabler for improving business processes and accessibility for customers.

Discussion Prompts:

PROMPT A

“E-stonia

In Estonia, the availability of integrated e-solutions has created an effective, convenient interface between citizens and government agencies. Using their eID, citizens can access the State Portal, a one-stop-shop for the dozens of state services connected by the X-Road. Here they can do everything from voting to updating their automobile registry to applying for universities. Each and every citizen is also given an e-mail address for official communication.

Some of the current projects include:

- 1) *i-voting*: Internet voting, or ‘i-voting’, is a system that allows voters to cast their ballots from any internet-connected computer, anywhere in the world.
- 2) *e-business*: infrastructure X-Road and eID to create fast interaction and access needed to make commerce work. Electronic tax filing, e-business registry and the availability of public records online have pared bureaucratic waste down to a bare minimum. E-oriented government makes an unprecedented amount of legal and tax information available on the web.
- 3) *e-School system*: parents have 24-hour online access to their children’s school activity data and can check everything from grades and attendance records to today’s homework assignment. Using the same system, teachers can do everything from plan curricula to send notes to parents, individual students or an entire class. Students can see their progress online, and even put their best work into a personalised e-portfolio. ProgeTiiger (CodeTiger) and TechSisters are two Estonian initiatives looking to discover technological prowess in children.
- 4) *e-government*: The e-government systems used in Estonia are breaking down the barriers between officials and the public, creating an atmosphere of openness and trust. Anyone can log into e-Law to see what their parliamentarians are doing with draft legislation, for example. Citizens can also log into the State Portal to see all of their own government-held records, check who has reviewed that data, and in some cases, set limits to access.
- 5) *e-health*: e-Prescription system (2010) is cutting down on paperwork and doctor visits, saving an untold amount of time and effort. Doctors can now prescribe medicines to their patients in an online environment, without having to physically meet them to write out a paper each time a refill is needed. The patient then simply goes to the pharmacy, presents his ID Card, and picks up the medicine.”

Source: modified from NSL Blog, Jan 2015

PROMPT B

"Digital Era Governance

New technology and its applications, such as web-based software, can closely link government information systems to the reactions of citizens, who are using new technology increasingly in their private lives. With citizens providing feedback to government, there is an opportunity to provide better services, particularly if government is equipped to respond quickly and appropriately. In addition, citizens may co-produce services alongside the state or public authority. For example by filling in the tax returns online, which is both more efficient for government and more convenient for the citizen.

There is no longer a need for central bureaucracies to be divided up according to function because a large amount of government activity is carded out automatically through zero touch technology and citizen interaction with a website, which need not have departmental ownership. So, after a long period of fragmentation, the state can reap the benefits of a more integrated administration focused on advanced, interactive websites and by meeting the needs of citizens in the round. As government becomes more efficient and responsive to the needs of citizens and citizens do more and more online, virtuous circles of increasing trust and confidence could take hold.

So the arguments for digital e-governance are powerful, and could mean a reinvention of the bureaucracy/public management tool, moving it to the centre stage as the preferred resource of government. If the new public management was only a partially successful attempt to carry out this project, digital era governance might actually be the silver bullet that policy-makers are looking for.

The transformation argument may, however, be limited by the extent to which states are able to overturn conventional bureaucratic processes by digital means and by the way new mechanisms sit within existing bureaucratic processes and procedures, even if a lot of routine activities are automated. However, some research suggests, that if existing routines of bureaucracies dominate the implementation of digital government, this can limit its scope and impact.

Source: modified from Peter John, *Making Policy Work*, Routledge: 2011.

PROMPT C

"Contrasting Views

West (2004), investigated the impact of digitalisation on public trust and confidence in federal and state administration in the United States. The research involved a survey of state public managers, a content analysis of 1,680 federal and state government websites, a survey of 1,003 people to examine the impact of the web on public trust and confidence, and an experiment. The results overall show modest impacts. As with other studies of government websites, the results reveal their lack of development and weak potential for interaction with the citizen. The survey shows no impact of the use of the federal websites on trust in government, confidence in government, belief in government effectiveness, except for an association with political activity. Naturally, the cross-sectional survey cannot point to any causal relationships. The responses to contact show the offices were efficient at getting back to respondents and at providing information, but the study provides no comparison with other forms of contact, for example telephoning. Even with its limitations, this study shows the current weak development of this tool of government."

"These findings can be contrasted with other studies, such as Tolbert and Mossberger's (2006). They analyse a survey of 815 people to test the impact of the use of e-governance on political trust. They find a positive relationship. It appears the improvement in the process of government has the following effect: 'E-government at the local level was also perceived by citizens as making government accessible and responsive, but only responsiveness was directly linked to increased trust of local government in the two-stage model' (2006: 366). This suggests increased government trust is produced by improved interactions through e-government at the local level."

Source: modified from Peter John, *Making Policy Work*, Routledge: 2011.

PROMPT D

“Public-sector digitisation: The trillion-dollar challenge

A recent McKinsey analysis (2014) carried out by Cem Dilmegani, Bengi Korkmaz and Martin Lundqvist argues that ‘Citizens and businesses now expect government information to be readily available online, easy to understand and at low or no cost.’ The authors suggest that \$1 trillion annually in economic value could be freed up by improving operational performance and costs through public sector digital transformation. This is because a range of benefits can be achieved such as shared services and collaboration between departments, as well as being more easily able to spot fraud problems.

Achieving comprehensive public digitisation

The six most important levers for achieving this include:

1. *Win government-wide and agency-deep commitment to specific digital targets:* The launch of gov.uk in 2012 marked the creation of one of the most accessible digital-government services in the world. It provides citizens, businesses, and government users with accurate, streamlined, and comprehensive services.
2. *Establish government-wide coordination of IT investments:* To better coordinate large-scale IT projects across the government and generate cost efficiencies, Denmark established IT Projektraad, a digitalisation council reporting to the Ministry of Finance, to function as its central IT steering group. The agency’s goal is to ensure that the benefits and gains targeted in a project’s business case are realised. This has allowed it to apply a test-and-learn approach, using pilot projects to ensure investments are effective and then bringing lessons learned to other agencies.
3. *Redesign processes with the end user in mind:* In 2011, the Netherlands released i-NUP, its government-wide implementation agenda for e-government services, to prioritise citizen- or user-centred design by boosting convenience and trimming red tape. Under the plan, municipalities would serve as “citizens’ desks” and be the first line of contact to field or refer questions, supported by a website, customer-contact centre, and central phone number. As of 2014, most municipalities are connected to a single access number.
4. *Hire and nurture the right talent:* Digital transformations call for specialised skills that are in high demand and therefore increasingly hard to come by. Government organisations often struggle to compete for such talent, since the private sector frequently can offer higher wages, a more entrepreneurial culture, and more clearly defined career paths. A few governments seem to have found ways to attract or nurture IT talent for their digital projects.
5. *Use big data and analytics to improve decision making:* The US government has been one of the most active in leveraging data to support government decision making. In 2009, it gave open data a legal and privacy framework that led to the creation of data.gov, a repository of government tools, resources, and information on anything from energy and science to global development and health. In all, more than 85,000 data sets are available to help businesses and private citizens conduct research, develop web and mobile apps, and create design visualisations.
6. *Protect critical infrastructure and confidential data:* Data security has become a top national-security issue. In 2013, the World Economic Forum identified cyberattacks and critical-systems failure as two of the most dangerous global risks. Beyond financial losses, cyberattacks may pose serious reputation risks for companies and governments.

Source: modified from Cem Dilmegani, Bengi Korkmaz, and Martin Lundqvist, “Public-sector digitization: The trillion-dollar challenge,” *McKinsey and Company, Insights & Publications*, Dec 2014.

CULTURE CHANGE

Wednesday 3rd June, Stormont Hotel, session from 9.30 am to 12.30 pm, followed by lunch

Chaired by: Chief Superintendent Barbara Gray
Sara Melo

Facilitated by: Prof Matthias Beck and Dr

Key points for Discussion:

Identifying ways to promote and encourage a culture among public sector staff that:

- Creates an environment that welcomes new ideas;
- Is more entrepreneurial and less risk averse; and
- Incubates and fosters innovation.

Discussion Prompts:

PROMPT A

“An organisational change strategy can be defined as a concept that simultaneously:

- 1) declares the overall mission or purpose of an organisation (cast in terms of important public values);
- 2) offers of an account of the sources of support and legitimacy that will be tapped to sustain society’s commitment to the enterprise;
- 3) explains how the enterprise will have to be organised and operated to achieve the declared objectives.

In developing such a strategy for a public sector organisation, a manager must bring these elements into coherent alignment by meeting three broad tests:

First, the strategy must be substantively valuable in the sense that the organisation produces things of value to clients and beneficiaries at low cost in terms of money and authority.

Second, it must be legitimate and politically sustainable. That is, the enterprise must be able to continually attract both authority and money from the political authorising environment to which is ultimately accountable.

Third, it must be operationally and administratively feasible in that the authorised, valuable activities can actually be accomplished by the existing organisation with help from others who can be induced to contribute to the organisation’s goal. These tests are powerful because they identify the necessary conditions for the production of value in the public sector. To verify their necessity, imagine what happens to managers and their organizations if any of these three conditions is missing.”

Source: Mark H. Moore, *Creating Public Value: Strategic Management in Government*, Harvard University Press: 1997.

PROMPT B

“Research indicates that top managers help perpetuate adaptive values by talking about them and writing about them, by behaving in ways consistent with those values, by hiring and promoting people whose own values are consistent with core values (but not demanding blind conformity), and by ensuring that organisational systems and processes reinforce adaptive values. ‘They were usually quick to spot a proposed compensation system or performance appraisal process that would not reflect the core philosophy of the firm’ (Kotter and Heskett 1992: 56). This is the same point made by Williams et al. (1993) when they discuss the need to ensure that all the basic management systems and processes support the development and maintenance of the type of culture required. Selection of the right people in the first place was often easier than trying to change them once they were inside the organisation. People with the right qualities should be selected to match the model of effectiveness needed by the organisation. It is these ordinary management tools, the artefacts of the organisation’s culture, that make the real difference in the long run rather than the large-scale heroic intervention that is usually a single episode in the life of the organisation.”

Source: modified from Hugh Flanagan and Peter Spurgeon, *Public Sector Managerial Effectiveness: Theory and Practice in the NHS*, Open University Press: 1996.

PROMPT C

“Problems of Change

The reforms have frequently been driven by a variety of pressures and have had different meanings for different parties: finance ministries emphasise expenditure savings; professionals are mainly concerned with service standards; politicians are seeking public support for theft actions. Because of this, managers are faced with competing demands, such as cost reduction with quality improvements or better targeting of services with spreading them thinly, or devolved management of services with occasional tight central financial control.

When these competing demands are combined with a multiplicity of initiatives, managers can be overloaded. Maintaining service levels can be difficult while also introducing a combination of performance management, costing systems and quality initiatives. Sometimes, the initiatives themselves can be inconsistent, such as the devolution of performance management with insufficient delegation of powers, or the introduction of performance contracts with inadequate performance measures.

Even when new systems have been introduced consistently, there has been a tendency towards information overload. Nervous central departments imagine that the production of a mass of retrospective statistics puts them in control. Middle managers are asked for information purely to satisfy people further up the hierarchy, rather than to help them manage better. In turn, this can lead to distortion in the information flows, which produces an incorrect picture of the success of the changes. For civil servants, the multitude of reforms causes confusion. Not only are traditional work methods challenged as people move from a requirement to conform to rules to a requirement to perform well, but the managerial instruments offered are diverse and in many cases new. There is frequently a suspicion that the overriding objective of the reform process is to save money by making people work harder. Middle managers and workers naturally resist these efforts, which in turn makes other aspects of the reform process more difficult to implement.”

Source: modified from Norman Flynn and Franz Strehl, *Public Sector Management in Europe*, Prentice-Hall, 1996

PROMPT D

“US research on the relationship between corporate culture and long-term economic performance concluded that:

1) corporate culture can have a significant impact on a firm’s long-term economic performance.
2) corporate culture will probably be an even more important factor in determining the success or failure of firms in the next decade.

3) corporate cultures that inhibit strong long-term financial performance are not rare; they develop easily, even in firms that are full of reasonable and intelligent people.

4) although tough to change, corporate culture can be made more performance-enhancing.

As always with findings and examples drawn from North American and private sector organisations, there are issues of transferability in relation to different contexts.

There may be less certainty about the nature of an appropriate management culture in public sector organisations and about how to change it in order to improve performance and outcomes, but it is nevertheless a critical issue. The culture of an organisation exists and can be described, irrespective of whether or not it has been created and managed. This culture both produces and is an amalgam of the varying beliefs and expectations of the people in it.”

Source: modified from Hugh Flanagan and Peter Spurgeon, *Public Sector Managerial Effectiveness: Theory and Practice in the NHS*, Open University Press: 1996.

PROMPT E

“The competing values framework distinguishes four organisational culture types:

Clan Culture:

The organisation is held together by loyalty and tradition and emphasises long-term Human Resource development and bonds colleagues by morals. Success is defined within the framework of addressing the needs of the clients and caring for the people. The organisation promotes teamwork, participation, and consensus.

Adhocracy Culture:

This is a dynamic and creative working environment where employees take risks and leaders are seen as innovators and risk takers. Experiments and innovation are the bonding materials within the organisation. The long-term goal is to grow and new products or services are seen as success. The organisation promotes individual initiative and freedom.

Market Culture:

This is a results-based organisation that emphasises finishing work and getting things done. People are competitive and focused on goals. Leaders are hard drivers, producers, and rivals at the same time. The emphasis on winning keeps the organisation together. Reputation and success are important and long-term focus is on rival activities and reaching goals. The organisational style is based on competition.

Hierarchy Culture:

This is a formalised and structured work environment. Procedures decide what people do. Leaders are proud of their efficiency-based coordination and organisation. Keeping the organisation functioning smoothly is most crucial. Formal rules and policy keep the organisation together. The long-term goals are stability and results, paired with efficient and smooth execution of tasks. Trustful delivery, smooth planning, and low costs define success. “

Source: modified from <http://www.ocai-online.com/about-the-Organizational-Culture-Assessment-Instrument-OCAI>.